

STARWIN PRODUCTS LIMITED
 UNAUDITED
 STATEMENT OF FINANCIAL POSITION AS AT 30TH SEPTEMBER 2019



	NOTE	2019 GH¢	2018 GH¢
Assets			
Non-current assets			
Property ,plant and equipment	1	768,893	1,116,232
Long term investment	2	1,927,769	182,250
Due from Related Party		9,420,655	8,966,648
Total non-current assets		<u>12,117,316</u>	<u>10,265,130</u>
Current assets			
Inventories	3	2,261,874	3,700,698
Trade and other receivables	4	8,732,389	3,761,070
Cash and bank balances	5	4,996	31,273
Total current assets		<u>10,999,260</u>	<u>7,493,041</u>
Total assets		<u>23,116,577</u>	<u>17,758,171</u>
Equity and liabilities			
Equity			
Share capital		7,549,126	7,549,126
Issue Reserve		(555,762)	(555,762)
Capital surplus		1,399,457	208,793
Retained earnings		6,586,394	5,790,782
Total equity		<u>14,979,215</u>	<u>12,992,939</u>
Non-current liabilities			
Deffered tax liabilities		306,359	110,090
		<u>306,359</u>	<u>110,090</u>
Current liabilities			
Bank overdraft	6	653,578	681,425
Trade and other payables	7	6,341,245	3,497,732
Income Tax liability		836,179	475,985
Total current liabilities		<u>7,831,002</u>	<u>4,655,142</u>
Total liabilities		<u>8,137,361</u>	<u>4,765,232</u>
Total liabilities and equity		<u>23,116,577</u>	<u>17,758,171</u>

29-10-2019

 DATE

.....
Director
 Daniel Apeageyi Kissi

.....
Chairman
 Nik Amarteifio

STARWIN PRODUCTS LIMITED

UNAUDITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30TH SEPTEMBER 2019

	2,019	2,018
	GH¢	GH¢
Revenue	7,015,049	6,786,045
Cost of sales	<u>(3,625,698)</u>	<u>(3,505,223)</u>
Gross profit	3,389,351	3,280,822
Other income	-	-
General and administrative expenses	<u>(2,143,332)</u>	<u>(1,998,286)</u>
Results from operating activities	1,246,019	1,282,536
Net finance expense	<u>(127,972)</u>	<u>(361,056)</u>
Profit before income taxation	1,118,047	921,480
Income tax expense	<u>(279,512)</u>	<u>(275,267)</u>
Profit for the Period	<u>838,535</u>	<u>646,213</u>
Basic earnings per share	0.0032	0.0025
Diluted earnings per share	0.0032	0.0025

STARWIN PRODUCTS LIMITED
UNAUDITED
STATEMENT OF CHANGES IN EQUITY
FOR THE THIRD QUARTER ENDED 30TH SEPTEMBER 2019

2019	Stated Capital GH¢	Capital Surplus GH¢	Retained Earnings GH¢	Total GH¢
Balance as at 1 January 2019	7,549,127	1,399,457	5,747,859	14,696,443
Profit for the Period	-	-	838,535	838,535
Issue reserve	(555,763)			(555,763)
Dividend paid	-	-	-	-
Balance as at 30th SEPTEMBER 2019	<u>6,993,364</u>	<u>1,399,457</u>	<u>6,586,394</u>	<u>14,979,215</u>

2018	Share Capital GH¢	Capital Surplus GH¢	Retained Earnings GH¢	Total Equity GH¢
Balance as at 1 January 2018	7,549,127	208,793	5,144,568	12,902,488
Profit for the Period	-	-	646,213	646,213
Issue reserve	(555,763)			(555,763)
Dividend paid	-	-	-	-
Balance as at 30th SEPTEMBER 2018	<u>6,993,364</u>	<u>208,793</u>	<u>5,790,782</u>	<u>12,992,939</u>

STARWIN PRODUCTS LIMITED
UNAUDITED
STATEMENT OF CASH FLOWS
FOR THE THIRD QUARTER ENDED 30TH SEPTEMBER 2019

	2019 GH¢	2018 GH¢
Cash flows from operating activities		
Profit before taxation	1,118,047	921,480
<i>Adjustments for:</i>		
Depreciation	250,971	265,878
Profit / loss on disposal	(3,502)	(1,902)
Interest income	-	643
Interest expense	127,972	361,699
	<u>1,493,488</u>	<u>1,547,799</u>
Change in inventories	462,015	(1,906,238)
Change in trade and other receivables	(1,097,966)	(1,015,314)
Change in trade and other payables	2,540,570	1,772,076
Cash generated from operations	<u>3,398,107</u>	<u>398,323</u>
Interest received	-	-
Interest paid	(127,972)	(361,699)
Income taxes paid	(10,000)	(235,805)
Net cash from operating activities	<u>3,260,136</u>	<u>(199,181)</u>
Cash flows from investing activities		
Purchase of property ,plant and equipment	-	(36,802)
Interest income	-	(643)
Net cash flow used in investing activities	<u>-</u>	<u>(37,445)</u>
Cash flows from financing activities		
Net receipts from short term borrowings	-	(620,542)
Due to/(from) related company	(3,203,846)	1,885,974
Net cash flow from financing activities	<u>(3,203,846)</u>	<u>1,265,432</u>
Net(decrease)/increase in cash and cash equivalents	<u><u>56,289</u></u>	<u><u>1,028,806</u></u>
Analysis of changes in cash and cash equivalent during the period		
Balance as at begining	(704,871)	(1,678,958)
Net cash flow	<u>56,289</u>	<u>1,028,806</u>
Balance as at ending	<u><u>(648,581)</u></u>	<u><u>(650,152)</u></u>
Analysis of balances of cash and cash equivalent as shown in		
Cash and cash equivalents	4,996	31,273
Bank overdraft	(653,578)	(681,425)
Balance at ending	<u><u>(648,581)</u></u>	<u><u>(650,152)</u></u>

PROPERTY ,PLANT AND EQUIPMENT

2019	Land & Building GH¢	Machinery & Equipment GH¢	Total GH¢
Cost			
At 01/01/19	1,004,808	2,818,684.38	3,823,492
Additions	-	-	-
Disposal	-	-	-
	<u>1,004,808</u>	<u>2,818,684</u>	<u>3,823,492</u>
Accumulated Depreciation			
At 1/01/2019	423,790	2,379,839.05	2,803,629
Charged for the Period	28,475	222,495.90	250,971
Disposal	-	-	-
At 30/09/19	<u>452,265</u>	<u>2,602,335</u>	<u>3,054,600</u>
Net book value			
At 30/09/19	<u>552,543</u>	<u>216,349</u>	<u>768,893</u>
At 30/09/18	<u>600,080</u>	<u>516,152</u>	<u>1,116,232</u>

a. Depreciation has been charged in the financial statements as follows:

	2019 GH¢	2018 GH¢
Cost of sales	4,436	43,185
General ,administrative and selling expenses	<u>246,535</u>	<u>222,693</u>
	<u>250,971</u>	<u>265,878</u>

2	2019 GH¢	2018 GH¢
LONG TERM INVESTMENTS	<u>1,927,769</u>	<u>182,250</u>

These relate to the value of 280,385 ordinary shares in Stanbic Bank Ghana Limited.

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INVENTORIES

	2019 GH¢	2018 GH¢
Raw and Packing Materials	2,053,522	3,141,726
Work-in-Progress	177,563	460,529
Finished Goods	30,789	98,443
Tools and Parts	-	-
	<u>2,261,874</u>	<u>3,700,698</u>

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TRADE AND OTHER RECEIVABLES

	2019 GH¢	2018 GH¢
Trade receivables due from customers	8,725,908	3,752,537
Other receivables	-	-
Staff debtors	6,481	8,533
	<u>8,732,389</u>	<u>3,761,070</u>

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CASH AND CASH EQUIVALENTS

Bank Balances	4,996	31,273
	<u>4,996</u>	<u>31,273</u>

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BANK OVERDRAFT

	2019 GH¢	2018 GH¢
Standard Chartered Bank Ghana Limited	-	-
Ecobank Ghana Limited	653,578	681,425
	<u>653,578</u>	<u>681,425</u>

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TRADE AND OTHER PAYABLES

	2019 GH¢	2018 GH¢
Trade payables	4,128,896	2,440,968
Non-trade payables	1,018,002	102,456
Accrued charges	1,194,347	954,308
	<u>6,341,245</u>	<u>3,497,732</u>

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GENERAL ADMIN. EXPENSES

	2019 GH¢	2018 GH¢
Wages & salaries	478,797	520,580
Social security contributions	90,719	48,755
Provident fund	50,528	28,868
Admin. expenses	1,523,288	1,100,082
Marketing expenses	-	300,000
	<u>2,143,332</u>	<u>1,998,286</u>

1. REPORTING ENTITY

Starwin Products Limited is a company registered and domiciled in Ghana. The company is authorised to carry on the business of manufacturing, sale, import and export of pharmaceutical products and drugs of any kind.

2. BASIS OF PREPARATION

a. Statement of compliance

The financial statements of Starwin Products Limited have been prepared in accordance with International Financial Reporting Standards (IFRSs).

b. Basis of measurement

Financial statements are prepared on the historical cost basis except for financial instruments that are stated at fair values.

c. Functional and presentational currency

The financial statements are presented in Ghana cedis (GH¢) which is the company's functional currency.

d. Use of estimates and judgement

The preparation of financial statements in conformity with IFRSs requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amount recognised in the financial statements are described and added as notes to the Financial Statements

The accounting policies have been applied consistently to all periods presented in these financial statements by the company.

3. THE AUDIT COMMITTEE

All board members belong to the Audit Committee which is chaired by Kwasi Yirenkyi.

The terms of reference and the scope of the Audit Committee's functions include the following:

To recommend the appointment of the external auditors of the company.

To liaise with the external auditors for the purposes of ensuring and maintaining audit quality, effectiveness and risk management.

To review with the auditors their report on the financial statements of the company.

To review the adequacy of the systems of internal control and of the degree of compliance with material policies, laws and code of ethics and business practices of the company.

To provide a direct channel of communication between the Board and the external and internal auditors, Chief Finance Officer and compliance officers of the company.

To report to the Board of Directors of developing policies that will enhance the control and operating systems of the company.

The Audit Committee met regularly during the period under review as part of the continuous process of meeting its responsibilities detailed above.

The Audit Committee was involved in monitoring the work of the internal audit department and carried out Safety, Health and Environment Audit as well over the period.